

National Association of Regulatory Utility Commissioners 1101 Vermont Avenue, NW, Washington, D.C. 20005

PRESS RELEASE

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NARUC COMMENTS ON INDUSTRY-SPONSORED "MISSOULA PLAN" FILED TODAY AT THE FCC

WASHINGTON, DC - July 24, 2006 - Today, the National Association of Regulatory Utility Commissioners' Task Force on Intercarrier Compensation filed the industry-sponsored "Missoula" comprehensive intercarrier compensation reform plan with the Federal Communications Commission. Intercarrier compensation is the system of payments between communications providers for carrying voice traffic across their networks. Reform has long been recognized as necessary due to the changing nature of the industry. The plan represents the culmination of a 3-year process led by NARUC. While NARUC has not taken a position on the substance of the plan itself, NARUC President, Iowa Commissioner Diane Munns applauded the task force members, and particularly the leadership, on facilitating the dialogue that led to the plan.

Specifically, President Munns stated: "I congratulate Chairman Baum, Vice Chairman Landis, and the other task force members on their efforts. Since its inception, the task force has provided an excellent template of principles to evaluate any proposal, a draft proposal of its own, and now facilitated the filing of this industry-sponsored Missoula Plan. The work of this task force will prove invaluable to the FCC as it wrestles with this issue and to industry as a whole."

Task Force Chairman Ray Baum said: "I want to extend my personal thanks to everyone: Chairman Martin and the rest of the FCC Commissioners for their support of this effort, as well as the State Commissioners, staff, and industry stakeholders for all of the time and resources expended on this process. I think it is important to note that neither individual task force members, nor NARUC as an association, have taken any positions - pro or con - on this industry-drafted and sponsored proposal."

Telecommunications Committee Chair Tony Clark added: "Although NARUC does not have an official position on the Missoula Plan, we are very proud of the process that was facilitated through the outstanding leadership of task force members, especially Commissioners Baum, Landis and former task force chairman Elliott Smith. The coming few months will be busy ones on the Telecommunications Committee, as we coordinate efforts to help State commissioners understand the finer details of this industry proposal. Our first opportunity will be at the upcoming Summer Meetings in San Francisco. The Telecommunications Committee will have a session focused specifically on this plan. We will hear from a broad spectrum of industry experts to help NARUC as well as its individual members assess the merits of the proposal."

The National Association of Regulatory Utility Commissioners is a non-profit organization founded in 1889. Its members include the governmental agencies that are engaged in the regulation of utilities and carriers in the fifty States, the District of Columbia, Puerto Rico and the Virgin Islands. NARUC's member agencies regulate telecommunications, energy, and water utilities. NARUC represents the interests of State commissions before the three branches of the Federal government.